

RANBAXY LABORATORIES LIMITED

Statement of Standalone Unaudited Financial Results for the quarter ended 31 March 2012

(Rupees in millions, except for share data, and if otherwise stated)

PART I

Sr. No.	Particulars	(Unaudited) Quarter ended 31 March 2012	(Audited) * Quarter ended 31 December 2011	(Unaudited) Quarter ended 31 March 2011	(Audited) Year ended 31 December 2011
1	Income from operations				
	(a) Sales				
	- Within India (net of excise duty)	5,045.10	5,015.05	4,430.47	19,762.42
	- Outside India (refer to note 1)	13,057.18	33,274.80	6,118.76	54,996.54
	Net sales (net of excise duty)	18,102.28	38,289.85	10,549.23	74,758.96
	(b) Other operating income	1,102.94	824.85	718.02	3,231.60
	Total income from operations (net)	19,205.22	39,114.70	11,267.25	77,990.56
2	Expenses				
	(a) Cost of materials consumed	3,967.49	4,781.60	4,973.00	18,850.97
	(b) Purchase of stock-in-trade	1,940.02	1,760.09	1,301.58	6,367.31
	(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	109.44	332.14	(869.01)	(1,357.22)
	(d) Employee benefits expense (refer to note 4)	2,516.28	1,830.88	2,267.33	8,607.10
	(e) Depreciation, amortisation and impairment (refer to note 2)	468.73	1,315.36	462.61	2,740.83
	(f) Other expenses (refer to note 6)	6,505.53	21,345.90	3,939.50	35,573.41
	Total expenses	15,507.49	31,365.97	12,075.01	70,782.40
3	Profit/ (loss) from operations before other income, finance cost and exceptional items (1-2)	3,697.73	7,748.73	(807.76)	7,208.16
4	Other income	1,295.92	855.26	634.24	2,226.55
5	Profit/ (loss) from ordinary activities before finance cost and exceptional items (3+4)	4,993.65	8,603.99	(173.52)	9,434.71
6	Finance cost	168.50	848.09	376.85	2,198.56
7	Profit/ (loss) from ordinary activities after finance cost but before exceptional items (5-6)	4,825.15	7,755.90	(550.37)	7,236.15
8	Exceptional items:				
	- Settlement provision (refer to note 3a)	-	(26,480.00)	-	(26,480.00)
	- Gain/ (loss) on foreign currency option derivatives, net (other than loans) (refer to note 3b)	3,447.16	(8,379.11)	19.84	(11,242.85)
9	Profit/ (loss) from ordinary activities before tax (7+8)	8,272.31	(27,103.21)	(530.53)	(30,486.70)
10	Tax expense, net	-	-	(1.46)	33.79
11	Net profit/ (loss) for the period (9-10)	8,272.31	(27,103.21)	(529.07)	(30,520.49)
12	Paid - up equity share capital (Face value of Rs. 5 each)	2,110.16	2,110.00	2,106.26	2,110.00
13	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year				17,131.64
14	Earnings/ (loss) per share (Rs.) - not annualised				
	Basic	19.62	(64.28)	(1.26)	(72.42)
	Diluted	19.58	(64.28)	(1.26)	(72.42)

See accompanying notes to the financial results

* Refer to note 10 below

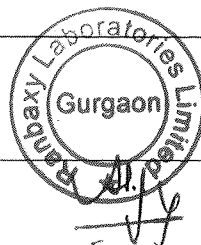
PART II

Select information for the quarter ended 31 March 2012

Sr. No.	Particulars	(Unaudited) Quarter ended 31 March 2012	(Audited) * Quarter ended 31 December 2011	(Unaudited) Quarter ended 31 March 2011	(Audited) Year ended 31 December 2011
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding #				
	- Number of shares	144,707,624	145,827,559	146,030,727	145,827,559
	- Percentage of shareholding	34.29%	34.56%	34.67%	34.56%
2	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered				
	- Number of shares	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-
	b) Non - encumbered				
	- Number of shares	268,711,323	268,711,323	268,711,323	268,711,323
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	63.67%	63.68%	63.79%	63.68%

Aggregate public shareholding as defined under Clause 40A of the Listing Agreement (excludes shares held by Promoters and Promoter Group Shareholding and Global Depository Shares)

Particulars	(Unaudited) Quarter ended 31 March 2012
B Investor complaints	
Pending at the beginning of the quarter	Nil
Received during the quarter	3
Disposed of during the quarter	3
Remaining unresolved at the end of the quarter	Nil



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Notes:

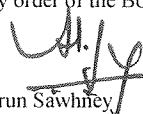
- 1 Sales outside India for all periods presented include significant sales relating to First-To-File (FTF) products in the United States of America ("USA"). Further, pursuant to the accounting policy followed by the Company, sales outside India for all periods presented includes transfer pricing adjustment with its subsidiaries for materials already supplied to them (including supplied in earlier periods) determined on the basis of significant judgment and estimates.
- 2 Depreciation, amortisation and impairment for the quarter and year ended 31 December 2011 included impairment loss of Rs. 784.49 recognised for a plant due to prevalent market conditions of the product which was manufactured/to be manufactured.
- 3 a) On 20 December 2011, the Company agreed to enter into a Consent Decree with the Food and Drug Administration ("FDA") of United States of America ("USA") as a step towards resolving the existing administrative actions taken by the FDA against the Company's Paonta Sahib and Dewas facilities. The Consent Decree was approved by the United States District Court for the District of Maryland on 26 January 2012 and went into effect on the same date. The Consent Decree establishes certain requirements intended to further strengthen the Company's procedures for ensuring the integrity of data in its US applications and good manufacturing practices at its Paonta Sahib and Dewas facilities. Successful compliance with the terms of the Consent Decree is required for the Company to resume supply of products from the Dewas and Paonta Sahib facilities to the USA.
Further, the Company is negotiating towards a settlement with the Department of Justice ("DOJ") of the USA for resolution of potential civil and criminal allegations by DOJ. Accordingly, the Company had recorded a provision of Rs. 26,480 (USD 500 million) in the quarter and year ended 31 December 2011, which the Company believes will be sufficient to resolve all potential civil and criminal liability.
b) The amount represents foreign exchange gain/ (loss), net, on foreign currency option derivatives taken during previous years (other than option derivatives relating to loans) which are accounted in accordance with Accounting Standard 30, "Financial Instruments: Recognition and Measurement".
- 4 The managerial remuneration paid by the Company to Mr. Arun Sawhney (CEO and Managing Director) during the year ended 31 December 2011 exceeded the limits specified in relevant provisions of the Companies Act, 1956 ("the Act") by Rs. 47.55. The Shareholders at their Annual General Meeting ("AGM") held on 8 May 2012, approved the waiver of recovery of such excess remuneration. The Company is taking necessary steps to seek requisite approval from the Central Government for excess remuneration paid. This has a reference to the qualification made in the audit report for the year ended 31 December 2011 and review report for the quarter ended 31 March 2012.
The Shareholders at the AGM held on 8 May 2012 have approved re-appointment of Mr. Arun Sawhney as CEO and Managing Director for a period of five years and payment of remuneration to him for a period of three years w.e.f. 1 January 2012. Accordingly, during the quarter ended 31 March 2012, the Company recorded an expense of Rs. 29.71 as managerial remuneration. The limits for the managerial remuneration for the year ending 31 December 2012 will be determined as at year end. The Company accordingly will take necessary steps to seek requisite approvals in this regard.
- 5 The research and development expenses is classified under respective heads according to the nature of expense. The aggregate amount of such expenses (excluding depreciation, amortisation and impairment) for all periods presented is set out below:

Particulars	(Unaudited) Quarter ended 31 March 2012	(Audited) * Quarter ended 31 December 2011	(Unaudited) Quarter ended 31 March 2011	(Audited) Year ended 31 December 2011
Research and development expenses	1,017.09	1,190.06	1,029.46	4,529.22

* Refer to note 10 below

- 6 The Company has accrued an expense as claims and contractual payment towards a portion of profit payable to another party in relation to sales of a product. Claims and contractual payment expense included in 'Other expenses' qualifies for a separate line item disclosure in accordance with clause 41 of the Listing Agreement as the same is more than 10% of total expenses for the quarter ended 31 March 2012, and quarter and year ended 31 December 2011. However, the same has not been disclosed as a separate line item in view of certain terms of agreement with the party. This has a reference to the qualification made in the audit report for the year ended 31 December 2011 and review report for the quarter ended 31 March 2012.
- 7 On exercise of Employees Stock Options, 80,898 equity shares have been allotted on 17 April 2012. The total number of Employees Stock Options outstanding as at 31 March 2012 were 7,566,543, out of which 4,816,616 have vested. The entitlement of shares on exercise of stock options granted on or before 3 October 2002 would increase in the proportion of 3:5, keeping in view the issue of bonus shares on 11 October 2002.
- 8 The Company's business activity falls within a single primary business segment viz. 'Pharmaceutical'.
- 9 Pursuant to amendments made to the Listing Agreement in respect of format of disclosure of financial results, the interim financial results for the quarter ended 31 March 2012 has been prepared in the revised format. Accordingly, the previous year/period figures have also been reclassified to conform to the current period's classification.
- 10 Figures of the preceding quarter ended 31 December 2011 are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. Also the figures upto the end of the third quarter were only reviewed and not subjected to audit.
- 11 The above results were reviewed by the Audit Committee on 8 May 2012, and approved by the Board of Directors at their meeting held on 9 May 2012 and have undergone a "Limited Review" by the Statutory Auditors of the Company. The review report of the Statutory Auditors containing the reservations is being filed with the Bombay Stock Exchange and the National Stock Exchange and is also available on the Company's website at www.ranbaxy.com.

By order of the Board


Arun Sawhney
CEO and Managing Director

Place: Gurgaon
Date: 9 May 2012

Regd. Office : A-41, Industrial Area Phase VIII A, Sahibzada Ajit Singh Nagar (Mohali) - 160 071 (Punjab)
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